

Policy and Performance Scrutiny Committee - 21 January 2016

Non-confidential minutes of the meeting of the Policy and Performance Scrutiny Committee held at on 21 January 2016 at 7.30 pm.

Present: **Councillors:** Gallagher (Chair), O'Halloran (Vice-Chair), Comer-Schwartz, Ismail, Kay, O'Sullivan, Russell, Andrews, Chowdhury and Jeapes
Also Present: **Councillors:** Hull, Watts and Heather

Councillor Troy Gallagher in the Chair

- 191** **APOLOGIES FOR ABSENCE (Item 1)**
Councillors Klute, Court and Doolan
- 192** **DECLARATION OF SUBSTITUTE MEMBERS (Item 2)**
None
- 193** **DECLARATIONS OF INTEREST (Item 3)**
None
- 194** **TO APPROVE MINUTES OF PREVIOUS MEETING (Item 4)**
RESOLVED:
That the minutes of the meeting held on 7 December 2015 be confirmed and the Chair be authorised to sign them
- 195** **MATTERS ARISING FROM THE MINUTES (Item 5)**
In response to a question it was stated that the actions outstanding for the last meeting had been circulated
- 196** **PUBLIC QUESTIONS (Item 6)**
The Chair outlined the procedure for Public questions and filming and recording of meetings
- 197** **CHAIR'S REPORT (Item 7)**
The Chair stated that some Committee Members had undertaken scrutiny visits in relation to the knife crime scrutiny and these had been very informative and would assist in the recommendations.

The Chair added that the notes of the visits would be circulated to the next meeting and further visits were being arranged
- 198** **BUDGET PROPOSALS 2016-17 (Item 8)**
Councillor Andy Hull, Executive Member Finance and Performance and Councillor Richard Watts, Leader of the Council were present for discussion of this item.

During consideration of the report the following main points were made –

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- The Committee welcomed the additional funding of £0.5m for investment in keeping the borough's young people safe
- The Committee noted the severe budget reductions that the Council has had to face since 2010 and that the latest financial settlement has necessitated the Council having to adopt additional funding cuts of over £73m from 2016-2020 and that in 2016/17 this would be £24m due to Government 'frontloading' of cuts
- It was noted that the Council balances would be reduced from 5% to 4% in 2016/17
- The Committee expressed concern at the underfunding of the social care budget, which had meant that the social care precept, that the Government has said that Local Authorities could introduce to reduce the shortfall in social care funding, had to be imposed by the Council
- The Committee noted that there would be likely to be over 100 posts reduction at the Council as a result of the budget cuts, however the majority of these redundancies would be achieved voluntarily
- It was welcomed that, despite severe funding restrictions, front line services had largely been maintained and that a substantial amount of the savings had come from sharing of services, channel shift, etc. and that the budget was the fairest that could be achieved in the circumstances
- The Committee were informed that there had been significant savings as a result of the loss of senior management posts across the Council
- With regard to the new NLWA menu pricing model it is hoped that this will benefit the Council and savings can be achieved
- The Committee were informed that there had been a reduction by the DfE in the Education services grant of £0.2m in 2016/17, which is seen as part of the Government's strategy to remove Local Authority control of schools
- There is still uncertainty over the public health financial settlement and also that there is still concern as to whether the Government will change the details of the provisional settlement already notified to the Council to that of the final settlement, resulting in even more funding reductions to the Council, which will necessitate further savings
- Members were of the view that the ethnic profile of staff made redundant should be looked at once the budget reductions had been implemented, given that final details of these redundancies will not be known until all the reorganisation proposals had been finalised
- Councillor Russell stated that she had not yet had a chance to discuss in detail the budget proposals, but she was meeting the Director of Finance and Resources next week and that she would submit any comments to the Executive Member Finance and Performance for consideration
- A Member enquired the proportion of HRA properties at target rent and whether it would be possible to increase rents ahead of the legislation date and it was stated that this information could be provided to Members
- Members welcomed the success of the pilot on Universal Credit and the achievement in assisting residents back into work and the number of residents avoiding sanctions. It is hoped that given this success the Government will consider more devolvement of employment services to Local Authorities in the future
- In response to a question it was stated that the Council Tax collection rate is already 97%
- Members were informed that the reduction of £65k in the ASB budget is not a reduction in core funding
- The Committee noted that London wide there is predicted to be, by 2020, a £1.7 billion gap in Health and Social Care funding, and even if the Council imposed the 2% social care precept allowed by the Government for the next 4 years, this will still leave a significant shortfall, even taken together with the Better Care funding

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monies available. The Committee expressed concern that these reductions will impact unfavourably on the elderly and vulnerable

- The Executive Member Finance and Resources stated that if the final funding settlement from the Government differed from the provisional settlement already notified, this would need to be taken into consideration at the Executive meeting in February
- The Committee noted that the Government expectation is that Councils will have to increase the Council Tax by 1.75% per year for the next 4 years
- The Committee welcomed that, given the financial restrictions placed on the budget, that this appeared to be the most acceptable outcome that could be achieved in the circumstances

RESOLVED:

That the above comments be forwarded to the Executive for consideration and Members be circulated with a response on the matters raised above in relation to the HRA

The Committee thanked Councillors Hull and Watts for attending and their budget presentation

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OTHER BUSINESS (Item)

Appointment of Head of Human Resources

Members were informed that the new Head of Human Resources had now been appointed and would be commencing her employment on 21 March 2016

The meeting ended at 8.40 p.m.

CHAIR